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7 UNITED STATES BANKRUPTCY COURT
8 NORTHERN DISTRICT OF CALIFORNIA

9 IN RE: CASE No. 09-13181

10 CHAPTER 11

11 HOSAIN AZIZIAN, and
FATEMEH H. AZIZIAN,

12 DEBTORS. / DEBTORS' CHAPTER 11
13 PLAN OF REORGANIZATION

14 HOSAIN AZIZIAN and FATEMEH H. AZIZIAN, Debtors herein, propose
15 the following Plan pursuant to Chapter 11 of the Bankruptcy Code:

16 ARTICLE I

17 DEFINITIONS

18 For purposes of the Plan, the following terms shall have the
19 meanings hereinafter set forth:

20 1.01. Allowed claim shall mean a Claim (a) in respect of
21 which a Proof of Claim has been filed with the Court within the
22 applicable period of limitation fixed by Rule 3001, or (b)
23 scheduled in the list of creditors prepared and filed with the
24 Court pursuant to Rule 1007(b) and not listed as disputed,
25 contingent or unliquidated as to amount, in either case as to which
26 no objection to allowance thereof has been interposed with any
27 applicable period of limitation fixed by Rule 3001, or by Order of
28 the Court, or as to which any such objection has been determined

1 which is no longer subject to appeal or certiorari and as to which
2 no appeal or certiorari proceeding is pending.

3 1.02. Allowed Secured Claim shall mean the Allowed Claim
4 secured by a lien, security interest or other charge against the
5 property in which Debtor has an interest, or which is subject to
6 setoff under Section 553 of the Code to the extent of the value
7 (determined in accordance with 506(a) of the Code) of the interest
8 of the holder of such Allowed Claim in the Debtors' interest in
9 such property or to the extent of the amount subject to such
10 setoff, as the case may be.

11 1.03. Claim shall mean any right to payment, or right to
12 an equitable remedy for breach of performance if such breach gives
13 rise to a right to payment, against Debtors in existence on or as
14 of the Petition Date, whether or not such right to payment or right
15 to equitable remedy is reduced to judgment, liquidated, undisputed,
16 legal, secured, unsecured, known or unknown.

17 1.04. Class shall mean any class into which Allowed Claims
18 or Allowed Interests are classified pursuant to Article III.

19 1.05. Class 1 Claims, Class 2 Claims, Class 3 Claims,
20 Class 4 Claims, Class 5 Claims, Class 6 Claims, Class 7 Claims,
21 Class 8 Claims, Class 9 Claims, Class 10 Claims, Class 11 Claims,
22 Class 12 Claims, Class 13 Claim, and Class 14 Interests shall mean
23 Allowed Claims and Interests so classified in Sections 3.01 through
24 3.14 respectively.

25 1.06. Bankruptcy Code shall mean the Bankruptcy Code, 11
26 U.S.C. section 101, et seq., and any amendments thereof.

27 1.07. Bankruptcy Court shall mean the United States
28 Bankruptcy Court for the Northern District Of California in which

1 the Debtors' Chapter 11 case, pursuant to which the Plan is
2 proposed, is pending and any Court having competent jurisdiction to
3 hear appeals or certiorari proceedings therefrom.

4 1.08. Confirmation Date shall mean the date upon which the
5 Order of Confirmation is entered by the Court.

6 1.09. Debtors means the Debtors in this Chapter 11 case.

7 1.10. Market rate of Interest means the Federal Judgment
8 Rate in effect on the Confirmation Date or such other rate of
9 interest as the Court determines at the time of confirmation.

10 1.11. Order of Confirmation means the Order entered by the
11 Bankruptcy Court confirming the "Plan" in accordance with
12 provisions of Chapter 11 of the Bankruptcy Code.

13 1.12. Petition Date means September 29, 2009, the date of
14 the filing of the voluntary petition.

15 1.13. Plan means this Chapter 11 Plan, as may be amended
16 or modified in accordance with the Code.

17 1.14. Rules means Bankruptcy Rules, as amended and
18 supplemented by the Suggested Interim Bankruptcy Rules, as adopted
19 by the Court.

20 **ARTICLE II**

21 **EXPENSES OF ADMINISTRATION**

22 2.01. Administrative expenses of Debtors' Chapter 11 case
23 allowed pursuant to Section 503(b) of the Code shall be paid in
24 full at the Confirmation Date unless otherwise Ordered by the
25 Court, in cash, or upon such other terms as may be agreed upon by
26 the holder of such claims and Debtors. Any fees due the U.S.
27 Trustee and unpaid on the Confirmation Date shall be paid in full
28 on or before the Confirmation Date.

ARTICLE III

CLASSIFICATION OF CLAIMS

The Claims are classified as follows:

4 3.01. Class 1 Claims. Allowed claims entitled to
5 priority pursuant to Section 507 of the Code.

6 3.02. Class 2 Claims. Allowed secured claim of the County
7 of Marin based upon the secured tax roll and secured by real
8 property.

9 3.03. Class 3 Claims. Allowed secured claim of the County
10 of Solano based upon the secured tax roll and secured by real
11 property.

12 3.04. Class 4 Claims. Allowed secured claim of the County
13 of Sacramento based upon the secured tax roll and secured by real
14 property.

15 3.05. Class 5 Claims. Allowed secured claim of Washington
16 Mutual secured by real property located at 6 Via El Verano,
17 Tiburon, California.

18 3.06. Class 6 Claims. Allowed secured claim of Citi
19 Mortgage secured by real property located at 6 Via El Verano,
20 Tiburon, California.

21 3.07. Class 7 Claims. Allowed secured claim of Aurora
22 Loan Services secured by real property located at 13 Margory Court,
23 Novato, California.

24 3.08. Class 8 Claims. Allowed secured claim of Bank of
25 Marin secured by real property located at 13 Margory Court, Novato,
26 California.

27 3.09. Class 9 Claims. Allowed secured claim of Bank of
28 America secured by real property located at 8838 Phoenix Ave., Fair

1 || Oaks, California.

2 3.10. Class 10 Claims. Allowed secured claim of Golden
3 Security Bank secured by real property located at 1985 Broadway,
4 Vallejo, California.

5 3.11. Class 11 Claims. Allowed secured claim of Redwood
6 Credit Union secured by a 2004 Mercedes Benz SL55.

7 3.12. Class 12 Claims. Allowed secured claim of Redwood
8 Credit Union secured by a 2007 Infiniti SUV.

9 3.13. Class 13 Claims. Allowed claims of creditors other
10 than those holding allowed Class 1 Claims, Class 2 Claims, Class 3
11 Claims, Class 4 Claims, Class 5 Claims, Class 6 Claims, Class 7
12 Claims, Class 8 Claims, Class 9 Claims Class 10 Claims, Class 11
13 Claims, Class 12 Claims and Class 14 Interests, including, but not
14 limited to, creditors whose claims may arise out of the rejection
15 of executory contracts and secured creditors to the extent that the
16 Court finds the same unsecured in whole or in part.

17 3.14. Class 14 Interests. Allowed interests of Debtors.

ARTICLE IV

CLAIMS NOT IMPAIRED UNDER THE PLAN

20 4.01. There are no Classes unimpaired under the Plan.

ARTICLE V

TREATMENT OF IMPAIRED CLASSES OF CLAIMS

23 5.01. Class 1 Claims are impaired. Holders of allowed
24 Class 1 Claims shall be paid in equal monthly installments of
25 principle and interest at the statutory rate, over sixty (60)
26 consecutive months commencing on the effective date of the Plan.

27 5.02. Class 2 Claims are impaired. Holders of allowed
28 Class 2 claims shall be paid under a five year plan as provided by

1 state law. Debtors shall enter into the five year plan on the
2 effective date. Such holders shall retain their interest in the
3 collateral.

4 5.03. Class 3 Claims are impaired. Holders of allowed
5 Class 3 claims shall be paid under a five year plan as provided by
6 state law. Debtors shall enter into the five year plan on the
7 effective date. Such holders shall retain their interest in the
8 collateral.

9 5.04. Class 4 Claims are impaired. Holders of allowed
10 Class 4 claims shall be paid under a five year plan as provided by
11 state law. Debtors shall enter into the five year plan on the
12 effective date. Such holders shall retain their interest in the
13 collateral.

14 5.05. Class 5 Claims are impaired. Holders of allowed
15 Class 5 claims shall be paid pursuant to the terms of the Note.
16 Any pre-confirmation defaults shall be cured in sixty equal monthly
17 installments commencing on the effective date of the Plan. Such
18 holders shall retain their interest in the collateral.

19 5.06. Class 6 Claims are impaired. Holders of allowed
20 Class 6 claims shall be paid an amount equal to such holders
21 interest in the Debtors' interest in the collateral in monthly
22 installments of principle and interest at a market rate calculated
23 and payable based upon a thirty year full amortization. Such
24 holders shall retain their interest in the collateral.

25 5.07. Class 7 Claims are impaired. Holders of allowed
26 Class 7 claims shall be paid an amount equal to such holders
27 interest in the Debtors' interest in the collateral in monthly
28 installments of principle and interest at a market rate calculated

1 and payable based upon a thirty year full amortization. Such
2 holders shall retain their interest in the collateral to the extent
3 perfected.

4 5.08. Class 8 Claims are impaired. Holders of allowed
5 Class 8 claims shall be paid an amount equal to such holders
6 interest in the Debtors' interest in the collateral in monthly
7 installments of principle and interest at a market rate calculated
8 and payable based upon a thirty year full amortization. Such
9 holders shall retain their interest in the collateral.

10 5.09. Class 9 Claims are impaired. Holders of allowed
11 Class 9 claims shall be paid an amount equal to such holders
12 interest in the Debtors' interest in the collateral in monthly
13 installments of principle and interest at a market rate calculated
14 and payable based upon a thirty year full amortization. Such
15 holders shall retain their interest in the collateral.

16 5.10. Class 10 Claims are impaired. Holders of allowed
17 Class 10 claims shall be paid an amount equal to such holders
18 interest in the Debtors' interest in the collateral in monthly
19 installments of principle and interest at a market rate calculated
20 and payable based upon a thirty year full amortization. Such
21 holders shall retain their interest in the collateral.

22 5.11. Class 11 Claims are impaired. Holders of allowed
23 Class 11 claims shall be paid an amount equal to such holders
24 interest in the Debtors' interest in the collateral in monthly
25 installments of principle and interest at a market rate calculated
26 and payable based upon a sixty (60) month full amortization. Such
27 holders shall retain their interest in the collateral.

28 5.12. Class 12 Claims are impaired. Holders of allowed

1 Class 12 claims shall be paid an amount equal to such holders
2 interest in the Debtors' interest in the collateral in monthly
3 installments of principle and interest at a market rate calculated
4 and payable based upon a sixty (60) month full amortization. Such
5 holders shall retain their interest in the collateral.

6 5.13. Class 13 Claims are impaired. Holders of allowed
7 Class 13 claims shall be paid the aggregate sum of \$42,000 on a
8 prorata basis and payable in 72 monthly installments together with
9 interest at the Federal Judgment Rate.

10 5.14. Class 14 Interests are impaired. Holders of allowed
11 Class 14 Interests shall retain such interests subject to the terms
12 of the Plan.

13 **ARTICLE VI**

14 **TREATMENT OF EXECUTORY CONTRACTS**

15 6.01. Executory Contracts Assumed. Debtors assume the
16 dealer agreement with Valero.

17 **ARTICLE VII**

18 **MEANS FOR THE PLAN'S EXECUTION**

19 7.01. Debtors shall take over the operation of the gas
20 station and market at 1985 Broadway St., Vallejo, California from
21 H. Azizian, Inc. and operate same as a proprietor or limited
22 liability company. Said operation will produce sufficient revenue
23 to make the payments as provided in this Plan

24 7.02. Debtors shall commence payments to holders of secured
25 claims as provided herein on the effective date of the Plan.

26 7.03. Debtors shall commence payments to holders of allowed
27 Class 13 Claims on the effective date of the Plan.

28 7.04. The following payments shall be made directly by co-

1 obligors:

2 a. Payments to holders of Class 7 and 8 Claims and
3 payments to holders of Class 2 Claims to the extent related to real
4 property located at 13 Margory Ct., Novato, California shall be
5 made by Taghieh Eslambolchizad;

6 b. Payments to holders of Class 4, 9 and 12 Claims shall
7 be made by Neda Azizian; and

8 c. Payments to holders of Class 11 Claims shall be made
9 by Navid Azizian.

10 7.05. No party shall take any action against the Debtors,
11 their assets, or assets of the estate inconsistent with the terms
12 of the within Plan.

13 7.06. Debtors may bring motions to determine the secured
14 interest of any secured class pursuant to Section 506 of the Code
15 at any time before or after confirmation of the Plan.

16 7.07. The Debtors shall comply with post confirmation
17 reporting requirements to the U.S. Trustee and payment of U.S.
18 Trustee fees post confirmation until entry of Final Order as
19 required by law. Nothing contained in the Plan shall impose or
20 expand the requirements for reporting and payment of fees as set
21 forth by statute and/or case law. In the event the case is
22 converted to a case under Chapter 7, the assets shall revest in the
23 Chapter 7 estate.

24 7.08. Any sale or refinance of property as provided herein
25 may be made free and clear of liens as provided in the Code. The
26 Court shall specifically reserve jurisdiction to implement the
27 Plan, to approve sale of property, and to direct such sale of
28 property free and clear of lien where necessary or appropriate.

1 7.09. Debtors reserve rights to object to any claim filed in
2 the case and to assert any and all counterclaims against any party
3 filing such a claim.

ARTICLE VIII

RETENTION OF JURISDICTION

6 8.01. Notwithstanding Confirmation of the Plan, the Court
7 shall retain jurisdiction for, inter alia, the following purposes:

8 1. Determination of the allowability of claims upon
9 objection to such claims by the Debtors based upon any provision of
10 law, including, but not limited to any right of set off,
11 counterclaims, statute of limitations, and any and all defenses
12 thereto;

13 2. Determination of the validity, priority and extent
14 of liens under any applicable provision of law, including, but not
15 limited to Rules of Professional Conduct;

16 3. Determination of requests for payment of claims
17 entitled to priority under Bankruptcy Code Section 507(a)(1),
18 including compensation of parties entitled thereto;

19 4. Determination of any counter claims against any
20 party filing a claim in the case.

21 5. Resolution of any disputes regarding the
22 interpretation of the Plan;

23 6. Implementation of the provisions of the Plan and
24 entry of Orders in aid of confirmation of the Plan, including
25 without limitation, appropriate orders to protect the Debtors from
26 creditor actions, approval of sale of property, orders for sale
27 free and clear of liens and interests;

28 7. Modification of the Plan pursuant to Section 1127 of

1 || Title 11;

2 8. Determination of reasonableness of any attorneys
3 fees and charges claimed by any creditor;

4 9. Avoidances of avoidable transfers pursuant to the
5 Bankruptcy Code and recovery of improper post petition transfers,
6 and any reserved cause of action;

7 10. Determination of secured status, extent of secured
8 status, and Debtors' right to recover expenses from property
9 securing claim pursuant to Bankruptcy Code Section 506;

10 11. Enforcement of all stipulations entered into by the
11 Debtors in possession and Orders and Judgments made by the Court;

12 12. Collection of any sums due the Debtors from other
13 parties or from any other source;

16 14. Any and all claims for misrepresentation, fraud and
17 breach of contract as to Gasmart, LLC of Boulder, CO

18 || 15. Entry of final decree.

ARTICLE IX

EFFECT OF CONFIRMATION

21 9.01. Confirmation of the Plan shall have the effect set
22 forth in Bankruptcy Code Section 1141. The rights afforded herein,
23 and the treatment of all claims and interests as set forth herein,
24 shall be in full exchange for, and in complete satisfaction,
25 discharge and release of, all claims and interests of any kind or
26 nature whatsoever, whether known or unknown, matured or contingent,
27 liquidated or unliquidated, existing, arising or accruing, whether
28 or not yet due, prior to the Effective Date, including without

1 limitation any claims or interest on claims, accruing on or after
2 the commencement of the case against the Debtors, the estate, or
3 assets or property thereof. Except as, and to the extent,
4 expressly provided in the Plan or the Confirmation Order, at all
5 times on and after the Effective Date, (a) all such claims against,
6 and interests in, the Debtors or the estate shall be deemed fully
7 and finally satisfied, discharged and released; (b) all persons
8 shall be fully and finally barred, enjoined and precluded from
9 asserting against the reorganized Debtors or their assets, any
10 claims or interests based upon act or omission, transaction,
11 agreement, right, privilege, duty, entitlement, obligation or other
12 event or activity of any kind or nature whatsoever that occurred
13 prior to the Effective Date; and (c) all claims and interests shall
14 be fully and finally discharged as provided in said Section 1141 of
15 the Bankruptcy Code.

ARTICLE X

ALTERATION OF RIGHTS OF THIRD PARTIES

18 10.01. Except as expressly stated in the Plan, nothing
19 contained in the Plan or any action taken hereunder alters the
20 rights of holders of claims or interests under Bankruptcy Code
21 Sections 510(a) or 524(a). Except as expressly stated in the
22 Plan, holders of secured claims shall retain their liens on the
23 Debtors' assets to the extent of the allowed amount of such claim.

ARTICLE XI

MISCELLANEOUS

26 11.01. Notice. All notices required or permitted to be
27 made in accordance with the Plan or by the Code shall be in writing
28 and shall be delivered personally, or by First Class mail:

1 a. To Debtors:

2 David N. Chandler
3 David N. Chandler, p.c.
4 1747 Fourth Street
5 Santa Rosa, CA 95404

6 b. To the Holder of an Allowed Claim, at the
7 address set forth in the Allowed Proof of Claim, or if none, at the
8 address set forth in the Schedules prepared and filed with the
9 Court pursuant to Section 1007(b).

10 11.02. Effective Date. For purposes of all determinations
11 to be made pursuant to the Bankruptcy Code in respect to the Plan
12 or any Claim or Interest, the "effective date" of the Plan shall be
13 sixty (60) days following the date the Order of Confirmation
14 becomes final.

15 11.03. Reservation of Rights. Neither the filing of this
16 Plan nor any statement or provision contained herein, shall be or
17 be deemed to be an admission against interest.

18 ARTICLE XII

19 CONFIRMATION REQUEST

20 12.01. HOSAIN AZIZIAN and FATEMEH H. AZIZIAN, Debtors
21 herein, request Confirmation of the Plan pursuant to Section
22 1129(b) of the Bankruptcy Code.

23 Dated: 2/26/10 DAVID N. CHANDLER, p.c.

24 By: /s/David N. Chandler
25 DAVID N. CHANDLER,
26 Attorney for Debtors

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